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29 AUG 1978

MEMORANDUM FOR: Deputy Director for Collection Tasking
Deputy Director for National Foreign Assessment
Deputy Director for Operations

FROM: Director of Central Intelligence

SUBJECT: Soviet/Cuban Military Participation in Eritrea

The attached copy of the London Economist's Foreign Report has a lead article which says there is considerable Soviet and Cuban military participation in Eritrea. As far as I know, we are talking only in very vague terms about the possibility of 5,000 or 6,000 Cubans being there in support roles only. I'd just like to make sure that we are doing everything we can from a collection point of view to determine the extent and nature of Cuban/Soviet participation.

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STANSFIELD TURNER

Attachment a/s

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Confidential

Foreign Report

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Contents

Soviet guns and deception in Eritrea

The Saudi plan for containing Russia

The China-Japan treaty

Thaw between Marchais and Moscow

Police state laws in Rumania

Pointer

Soviet guns and deception in Eritrea

Some observers believe that a major factor contributing to the success of the Soviet-backed Ethiopian offensive against the Eritrean separatists over the past month was a successful deception campaign by the Russians. It was designed to plant a belief in the world media that the Russians had no intention of helping Ethiopia's strongman, **Colonel Mengistu**, to break Eritrean resistance.

The campaign was launched last April after the war against Somalia in the Ogaden ended in victory for Mengistu and his helpers (though Western Somali guerrillas are still fighting). The suggestion that the Russians had no interest in helping Mengistu to recapture Eritrea gained plausibility from a number of factors. It was widely argued, for example, that:

1. The Eritreans are sufficiently well-armed and their country mountainous enough for them to wage a prolonged guerrilla war that could turn into a Soviet Vietnam;
2. Most of the Arab world — both moderates and 'rejectionists' — backs the Eritrean separatists;
3. The most powerful Eritrean movements are Marxist and have long-standing ties with Cuba;
4. The Russians may have been reluctant to allow Mengistu to enjoy absolute power in his own country since his loyalty to Moscow is by no means absolute.

But there were two more tangible reasons why some western analysts doubted, until recently, that the Russians would back Mengistu to the hilt in Eritrea. *First*, the Russians enlisted both **Yasser Arafat's** Fatah and **Naif Hawatmeh's** more radical Palestinian movement to serve as nominal mediators between the Ethiopian dirgue and the Eritreans. In May and June, two Palestinian delegations arrived in Addis Ababa, one after the other, and took up quarters in the Soviet embassy. It is doubtful

in retrospect, whether the Russians had any serious intention of pushing negotiations far. In the event, the only people who took the Palestinian mediators seriously were the Eritreans -- to their misfortune.

Second, there were widely reported rumours of a Soviet or Cuban plot to overthrow Mengistu, followed by an announcement by the Ethiopian ruler that he was expelling the Cuban and South Yemeni envoys. In fact, the envoys never moved out of their chanceries, and there is reason for doubt about whether a Soviet plot actually existed -- although there have certainly been attempts from inside the Ethiopian armed forces to remove Mengistu.

The Eritreans started to catch on to Soviet intentions by early June. But by then the Russians and Cubans had moved some of their Ethiopian-based contingents to near the towns of Adi Ugri and Adi Kaie. They were also moving fast towards completion of a key part of their air and naval base on the Dahlak islands. Still more important, Soviet engineers, technicians and construction units flown in from Russia were busy building a new Soviet airbase at Makale in the heart of the mountains in Tigre province, south of the Eritrean border. Even before the base was completed, it was converted into a major military centre. Some 50 Soviet Mig-21 and Mig-23 fighters were transferred there, together with Russian and Cuban pilots, most of the Soviet helicopter fleet in Ethiopia, and 50 T-55 and T-62 tanks with South Yemeni crews. Over the past two weeks, they have been joined by at least one Cuban commando brigade.

Makale is a good jumping-off base -- and not only for operations in Eritrea. It is within reach of most military targets inside Sudan. Even the helicopters based there are capable of striking at targets in a fair stretch of Eritrea.

Since the general Ethiopian offensive against Eritrea was launched in mid-July, it has been widely presented as an exclusively Ethiopian operation. But military observers familiar with local conditions doubt whether the Ethiopian army on its own would have been capable of the rapid gains that have been made. Nakfa, Mandefera, Tessenei and Agordat have all been seized in the space of six weeks. The Eritreans have also been pushed back from Massawa and Asmara, which they had been besieging.

The tactics used resemble those employed by the Ethiopians and the Cubans under Soviet direction in the battle of Jijiga against Somalia earlier this year. In the Eritrean offensive, Soviet and East German engineers are believed to have built flanking roads for the Ethiopian tanks to come up behind Eritrean lines. The Eritreans were caught in a pincer thrust by tank forces crewed by Ethiopians and Cubans, supported by artillery and rocket units operated by East Germans and South Yemenis. In places too precipitous for road construction, the Russians are said to have landed tanks by helicopter.

Now the Ethiopians and their allies are mustering their forces at three points for a final thrust to push the Eritreans back into the north-western corner of the province near the Sudanese border: (a) north of Asmara; (b) near Barentu; and (c) in the Nakfa region. Three spearheads will push forward to attempt the capture of the last major town in Eritrean hands, Keren, within the next week or 10 days.

A mystery that remains unsolved is why the Eritreans have stayed silent about the heavy Soviet intervention in the war. There are two, possibly complementary explanations. They may wish to avoid antagonising the Russians even at this stage, hoping that they could still, through Russia, find a way to negotiate with Colonel Mengistu. Perhaps more realistically, the Eritreans, lacking aircraft and modern electronic systems, were unable to detect Soviet and Ethiopian military movements before they reached their own lines. Until then, they may have been unaware of the scale of the

Soviet and other foreign involvement in the fighting. When an army faces defeat, its leaders can hardly be expected to find the time to start making out a case to the world media. So Russia has won the propaganda war against the Eritreans as well as the military one.

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The Saudi plan for containing Russia

Disenchanted with American policy in the Horn of Africa and elsewhere, the Saudis have been playing a growing role on their own account, exerting their influence behind the scenes in critical areas of the Middle East and Africa.

The Saudis, lessening their dependence on the Americans, are said to have (a) established discreet contacts with the Russians; and (b) to have been equally quietly canvassing support in western Europe and the Arab world for a new informal grouping of second-echelon powers in which Saudi Arabia would be a moving force. The Saudis hope this new block would be able to make up for some of the omissions of the **Carter** administration in containing the spread of Soviet influence.

The Russians were unceremoniously sent packing a year ago when they despatched an unofficial delegation of Moslem pilgrims from Russia to Mecca to seek contact with the Saudi rulers. But the Russians were recently able to meet in secret with Saudi representatives in a Gulf sheikhdom. According to informed sources, the Russians offered to establish diplomatic relations and even to supply Saudi Arabia with fast patrol boats.

The Saudis did not respond directly. But they are reported to have sent word two months ago to the Gulf states and Egypt that previous objections to purchases of Soviet-block hardware had been withdrawn.

The Carter administration discovered what the Saudis were up to only when it received a report on **Crown Prince Fahd's** talks with West Germany's **Chancellor Schmidt** in Bonn late in June. The prince is said to have been blunt with Schmidt. He asked West Germany and France to join Saudi Arabia in forming an economic and military alliance capable of halting Soviet expansion in Africa and the Middle East. He cited a long list of examples of how the Americans, in his view, had fallen down in this task. Specifically:

1. The Americans had dismissed Saudi intelligence reports of further Soviet expansion as 'long-term planning'. In the case of Eritrea, the Americans had

played into Soviet hands by under-rating the involvement of the Russians and the Cubans on the Ethiopian side. The Americans had brushed aside clear proof in Saudi hands that Soviet generals are in command of the Ethiopian offensive against the Eritrean separatists and that Cuban troops are fighting with the Ethiopian army in that campaign.

2. The Carter administration had refused to take serious note of the situation in South Yemen and the growing number of Soviet bases there. Last month's upheavals in North and South Yemen may have been the first trial of strength between the Saudis and Russians over zones of influence in the region (see FOREIGN REPORT No. 1541).

3. The Americans refused to understand that Somalia's **President Siad Barre**, disappointed in his hopes of American arms, could veer back towards Moscow.

Prince Fahd is said to have explained that the Saudis would not shift from their economic and ideological alignment with the west - although furious over the free fall of the dollar. But he stressed the need for independent Saudi initiatives, supported by anti-communist Arab states.

The role in which France and West Germany were to be cast was that of chief supplier of arms and heavy industrial equipment, with Saudi Arabia underwriting purchases made by members of the new Arab block. The Saudis thus dangled an attractive carrot - not the offer of a lucrative market, but the chance to dislodge the Russians from Syria and Iraq too.

Schmidt, however, is said to have been less than enthusiastic in his response, while promising careful study of the plan. Schmidt may have been right, since the Saudis proved to have been over-optimistic in their initial quest for allies, which began in earnest in the second half of July.

On 24 July, the Saudi defence minister, **Prince Sultan**, met a member of the PLO executive, **Abu Hisham**, to offer an increased annual allocation - \$80m at first, rising to \$150m later - on condition that the PLO wound down its relations with Russia and Cuba and stopped the fighting in Lebanon. An extra bonus would be Saudi endorsement for the creation of a Palestinian state in areas evacuated by Israel or, in the event of war, wrested from it. The Saudi-PLO contacts are still going on.

On 31 July, Fahd held a brief round of talks in Cairo to urge the new Saudi scheme on **President Sadat**. He said the hour was propitious, particularly in view of the rift between Iraq and Russia and the possibility of a souring of relations between Syria and Russia as well. Egyptian assistance was required at once to get the new block on its feet and to stage a military operation that would demonstrate its strength and the determination of its leaders. Accordingly, Egypt should send a military delegation post-haste to Mogadishu to prepare the way for an Egyptian expeditionary force that would keep Somalia out of the Soviet grip. A few days after Fahd's visit, the Egyptian war minister, **General Gamassi**, arrived in the Somali capital at the head of a large military delegation.

Sadat is unlikely to send troops to Somalia. But he did not refuse another of Fahd's requests. It was unthinkable, in Fahd's view, for the Red Sea and its outlets and approaches to be entirely controlled by two alien fleets: those of the Russians and the Israelis. Therefore, Egyptian naval units should be moved from Egyptian ports to bases that could be built on Red Sea islands controlled by North Yemen. Sadat sent a group of Egyptian officers to survey the islands, with Saudi officers in tow, and to decide which were suitable.

As far as Sadat's peace initiative was concerned, Fahd is said to have shrugged it off, saying that it was of little importance whether it succeeded or collapsed - so long as it did not impede the formation of the new Arab block.

The Saudi crown prince moved on from Cairo to Amman, Damascus and Baghdad. In Amman, he was treated to a tour of the general command and a lecture from the chief of staff, **Ziyan Ben Shahr**. Fahd inquired later about the expansion of Jordan's tank forces. He also asked how far preparations had gone to set up a single communications system for the armoured units of Saudi Arabia, Jordan, Syria, Egypt and Iraq. When completed, the Saudis want this project to be succeeded by the unification of the communications and early-warning systems of the five air forces.

In Damascus, Fahd offered several hundred millions of dollars a year to buy Syria away from its dependence on Moscow, and dwelt at length on ways of solving the

Lebanese crisis: In Baghdad, he looked into the prospects of settling the bloody feud between Iran and the PLO.

The first consequences of the Saudi Arabian drive are to bring new uncertainties to the Middle East, and to lower the temperature between America and Saudi Arabia. When **Cyrus Vance** visited the Middle East 10 days ago he avoided Riyadh and visited only Cairo and Jerusalem. **Alfred Atherton**, the special Middle East envoy, who is junior to Vance, went to Riyadh and Amman. In this way, both the Americans and the Saudis showed their disinclination for top-level contacts for the present.

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